

Embargoed until July 12, 2006

THE SHWE GAS MOVEMENT

New report: Burma's military dictatorship to gain over US\$12 billion in profits from western Burma gas finds

Burma's military regime stands to profit by US\$12-17 billion dollars from the Shwe Gas project in western Burma, according to a new report released by the Shwe Gas Movement today. The report, titled *Supply and Command*, details how the sale of natural gas to regional neighbours India and China, threatens to entrench the junta, and will lead to extensive human rights abuses in Arakan and Chin States.

A consortium of Indian and Korean corporations, led by Daewoo International, in cooperation with the regime, has been exploring gas fields off the coast of Arakan State after the discovery of "world class gas reserves" in wells labeled "Shwe" (the Burmese word for gold) in late 2003. The Shwe wells are expected to lead to one of the largest gas yields in Southeast Asia.

Gas from the Yadana and Yetagun pipelines in eastern Burma is currently the regime's largest source of legal export revenue. The Shwe project, however, would increase the junta's revenues from gas by at least 150% and they would stand to profit by approximately US\$ 580-824 million per year. Previous gas earnings have been directly linked with military arms purchases and allow the regime to continue its oppressive grip on the whole of Burma's population in defiance of international pressure.

"The hopes of many people in Burma for democratic change will be dealt a serious blow by the Shwe gas project if it goes ahead," said Wong Aung of the Shwe Gas Movement.

Experience from the infamous Yadana and Yetagun gas pipelines provides evidence that the Shwe project will lead to increased Burma Army presence in the area, forced relocation of villagers, land confiscation and slave labour. *Supply and Command* already cites human rights abuses linked to the Shwe project.

"Burma's military regime has built 15 new bases along the proposed pipeline route in Kaladan River valley since 2003. The Arakan and Chin people have already been suffering from human rights violations and if the project is implemented, the situation will go from bad to worse," said Kim of the Shwe Gas Movement in India.

While the regime purchases more arms with gas revenues, the local population remains in poverty. Arakan and Chin states are both excluded from the national electricity grid; ninety percent of the population uses candles for light and firewood as their primary source of cooking fuel. People are denied their rights to participate in decision-making about any development projects, including the extraction of local resources.

The Shwe Gas Movement is centered around campaign groups in Burma and its neighbouring countries. "Indian and Korean corporations involved with the Shwe project should freeze all current business with the military regime until a dialogue can be held with a democratically elected government," says Aung Marm Oo of the Shwe Gas Movement in Thailand.

For further information, see web site www.shwe.org, contact the Shwe Gas Movement at global@shwe.org or call:

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Forced labour on the Sittwe-Kyauktaw road in the pipeline area, Ponnagyun Township, Arakan State, 2004